(Lucio, Zatticini, Hinososa) SENATE

<u>S</u>.j.r. no. <u>27</u>

1 proposing a constitutional amendment providing for the issuance of

additional general obligation bonds by the Texas Water Development

JOINT RESOLUTION

3 Board to provide assistance to economically distressed areas.

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Article III, Texas Constitution, is amended by adding Section 49-d-10 to read as follows:

Sec. 49-d-10. (a) The Texas Water Development Board may issue additional general obligation bonds, at its determination, for the economically distressed areas program account of the Texas Water Development Fund II, in an amount not to exceed \$500 million. The bonds shall be used to provide financial assistance to economically distressed areas of the state as defined by law.

(b) Section 49-d-8(e) of this article applies to the bonds
authorized by this section.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2005. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board in an amount not to exceed \$500 million to provide assistance to economically distressed areas."

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FATTO

BILL ANALYSIS

Senate Research Center 79R2629 RMB-D

S.J.R. 27 By: Lucio International Relations & Trade 4/12/2005 As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The 71st Legislature, Regular Session, 1989, passed S.B. 2, which was the state's first major attempt to address the problems associated with colonias. S.B. 2 established the Economically Distressed Areas Program (EDAP) which provided financial assistance in the form of grants and loans for water and wastewater service to economically distressed areas. The bill made the Texas Water Development Board (board) the EDAP administrator. S.B. 2 directed the board to develop model rules to assure water and sewer services to residential developments and to strengthen platting requirements. Under EDAP, counties or municipalities would be required to adopt the model rules to become eligible for state financial assistance for water and wastewater projects.

While discussing S.B. 2, the office of the attorney general has reported that "incidentally, a basic policy underlying the legislation was that the state would spend millions of dollars to address water and sewer infrastructure needs in existing colonias, but there would be strict laws and rules to prevent new colonias (and costly remediation) from happening."

EDAP was financed in the early 1990s through voter-approved constitutional amendments that authorized the board to issue up to \$250 million in general obligation EDAP bonds. Currently, only a fraction of this bonding authority is left to address the remaining water and wastewater needs of approximately \$785 million in currently-existing traditional EDAP communities.

S.J.R. 27 proposes a constitutional amendment to provide for the issuance of up to \$500 million in general obligation bonds by the Texas Water Development Board for assistance to economically distressed areas.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article III, Texas Constitution, by adding Section 49-d-10, as follows:

Sec. 49-d-10. (a) Authorizes the Texas Water Development Board to issue additional general obligation bonds, at its determination, for the economically distressed areas program account of the Texas Water Development Fund II, in an amount not to exceed \$500 million. Requires the bonds to be used to provide financial assistance to economically distressed areas of the state as defined by law.

(b) Provides that Section 49-d-8(e) of this article applies to the bonds authorized by this section.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 8, 2005. Requires the ballot to be printed to provide for voting for or against the proposition. Sets forth the specific language for the proposition.

1-1 By: Lucio
S.J.R. No. 27
1-2 (In the Senate - Filed March 3, 2005; March 14, 2005, read
1-3 first time and referred to Committee on Natural Resources;
1-4 March 17, 2005, rereferred to Committee on International Relations
1-5 and Trade; April 18, 2005, reported favorably by the following
1-6 vote: Yeas 5, Nays 1; April 18, 2005, sent to printer.)

SENATE JOINT RESOLUTION

proposing a constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board to provide assistance to economically distressed areas.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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authorized by this section.

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SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 8, 2005. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board in an amount not to exceed \$500 million to provide assistance to economically distressed areas."

1-29 * * * * *

FAVORABLE SENATE COMMITTEE REPORT ON

| SB | SCR (SJB) SR LAB HCR HJR | 27 | | | |
|-----------------------------------|--------------------------|----|--|--|--|
| | By Lucio | | | | |
| (Author/Senate Sponsor) $4-18-05$ | | | | | |
| | (date) | | | | |

| We, your Committee onINTERNATION | NAL RELAT | IONS AND TRAD | <u>)E,</u> to | which was | referred the atta | ched measure, |
|---|------------|----------------|---------------|-------------|-------------------|---------------|
| have on Goril 14, 2005 | - | | | | and I am instruc | |
| back with the recommendation (s) that i | t: | | | | | |
| 🍇 do pass and be printed | | | | | | |
| () do pass and be ordered not printed | | | | | | |
| () and is recommended for placement of | n the Loca | l and Uncontes | sted Bills | s Calendar. | | |
| A fiscal note was requested. | 💢 yes | () no | | | | |
| A revised fiscal note was requested. | () yes | ⋈ no | | | | |
| An actuarial analysis was requested. | () yes | ⋈ no | | | | |
| Considered by subcommittee. | () yes | ⊘ no | | | | |
| The measure was reported from Commit | tee by the | / \ | | | | |
| | | | | | | |
| | | YEA | | NAY | ABSENT | PNV |
| Senator Eddie Lucio, Chair | | V. | | | | |
| Senator Eliot Shapleigh, Vice-Chair | | V | | | | |
| Senator John Carona | | | | | | |
| Senator Kevin Eltife | *** | | | | | |
| Sanatar Craig Fates | | | | | | |

COMMITTEE ACTION

| (S269) Ø | nsidered in pul | blic hearing | |
|----------------|-----------------|----------------------|---------------------|
| (S270) /7 | estimony taken | 0 12 |) |
| Zol | lim L | Jallie | XV/ |
| СОММІТ | TEE CLERK | | $\mathcal{I}^{}$ |
| Danar alin the | and and annual | of this sism od form | An Abrahadan al Isl |

Senator Kel Seliger Senator Judith Zaffirini

TOTAL VOTES

Paper clip the original and one copy of this signed form to the original bill Retain one copy of this form for Committee files

WITNESS LIST

SJR 27

SENATE COMMITTEE REPORT

International Relations & Trade

April 13, 2005 - 1:30PM

ON:

Labatt III, Thomas Weir Board Member (Texas Water Development Board), Austin,

TX

Ward, J. Kevin Executive Administrator (Texas Water Development Board), Austin,

TX

Registering, but not testifying:

On:

Garcia, Buddy Asst. Secretary of State/Border Commerce Coordinator (Secretary of

State), Austin, TX

BILL ANALYSIS

Senate Research Center 79R2629 RMB-D

S.J.R. 27 By: Lucio International Relations & Trade 4/12/2005 As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The 71st Legislature, Regular Session, 1989, passed S.B. 2, which was the state's first major attempt to address the problems associated with colonias. S.B. 2 established the Economically Distressed Areas Program (EDAP) which provided financial assistance in the form of grants and loans for water and wastewater service to economically distressed areas. The bill made the Texas Water Development Board (board) the EDAP administrator. S.B. 2 directed the board to develop model rules to assure water and sewer services to residential developments and to strengthen platting requirements. Under EDAP, counties or municipalities would be required to adopt the model rules to become eligible for state financial assistance for water and wastewater projects.

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EDAP was financed in the early 1990s through voter-approved constitutional amendments that authorized the board to issue up to \$250 million in general obligation EDAP bonds. Currently, only a fraction of this bonding authority is left to address the remaining water and wastewater needs of approximately \$785 million in currently-existing traditional EDAP communities.

S.J.R. 27 proposes a constitutional amendment to provide for the issuance of up to \$500 million in general obligation bonds by the Texas Water Development Board for assistance to economically distressed areas.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article III, Texas Constitution, by adding Section 49-d-10, as follows:

Sec. 49-d-10. (a) Authorizes the Texas Water Development Board to issue additional general obligation bonds, at its determination, for the economically distressed areas program account of the Texas Water Development Fund II, in an amount not to exceed \$500 million. Requires the bonds to be used to provide financial assistance to economically distressed areas of the state as defined by law.

(b) Provides that Section 49-d-8(e) of this article applies to the bonds authorized by this section.

SECTION 2. Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 8, 2005. Requires the ballot to be printed to provide for voting for or against the proposition. Sets forth the specific language for the proposition.

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 29, 2005

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on International Relations & Trade

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SJR27 by Lucio (Proposing a constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board to provide assistance to economically distressed areas.), As Introduced

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$66,497.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 580 Water Development Board

FLOOR AMENDMENT NO.

By Luio

- Amend S.J.R. No. 27 (Committee Printing), in Subsection (a)
- 2 of added Section 49-d-10, Article III, Texas Constitution (page
- 3 1, line 17), by striking "500" and substituting "785".

ADOPTED

MAY 0 3 2005

Lotary Spand Secretary of the Senate ballet language requires modification r.1, l. 20 Engrossed May 3, 2005

March Olyand

Engrossing Clerk

I certify this to be a true and correct copy of the indicated document as referred or transmitted to committee.

Chief Clerk of the House

By: Lucio, Zaffirini Hinojosa S.J.R. No. 27

(Chavez)

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| 2 | proposing a constitutional amendment providing for the issuance of |
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| 3 | additional general obligation bonds by the Texas Water Development |
| 4 | Board to provide assistance to economically distressed areas. |
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| 10 | for the economically distressed areas program account of the Texas |
| 11 | Water Development Fund II, in an amount not to exceed \$785 million. |
| 12 | The bonds shall be used to provide financial assistance to |
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| 14 | (b) Section 49-d-8(e) of this article applies to the bonds |
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SENATE JOINT RESOLUTION

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The cost to the state for publication of the resolution is \$66,497.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 580 Water Development Board

HOUSE COMMITTEE REPORT

05 MAY 19 PM 9-46
HJUSE OF REPRESENTATIVES

1st Printing

SENATE JOINT RESOLUTION

By: Lucio, Zaffirini Hinojosa (Chavez)

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S.J.R. No. 27

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| 20 | issuance of additional general obligation bonds by the Texas Water |
| 21 | Development Board in an amount not to exceed \$785 million to provide |
| 22 | assistance to economically distressed areas." |

COMMITTEE REPORT

The Honorable Tom Craddick Speaker of the House of Representatives

Sir:

| 5 | 18 | 05 |
|---|--------|----|
| | (date) | |

| We, your COMMITTEE ON BO | RDER AND INTERNA | ΓΙΟΝΑL AFFAIRS | | |
|---|---------------------------|------------------------|------------------------|---------------------------|
| to whom was referred back with the recommendation | | have had the | e same under conside | eration and beg to report |
| (V) do pass, without amendment(() do pass, with amendment(() do pass and be not printed | ent. (s). | e Substitute is recomm | ended in lieu of the o | riginal measure. |
| (1) yes () no A fiscal not | e was requested. | | | |
| () yes (no A criminal) | ustice policy impact stat | ement was requested. | | |
| () yes (no An equalize | ed educational funding in | mpact statement was r | equested. | |
| () yes (no An actuaria | al analysis was requeste | d. | | |
| () yes () no A water de | velopment policy impact | statement was reques | sted. | |
| | y note was requested. | | | |
| () The Committee recommen | | sent to the Committee | on Local and Conse | nt Calendars. |
| For Senate Measures: House | Sponsor | 27 | | |
| Joint Sponsors: | | , | | |
| Co-Sponsors: | | | | |
| | | | | |
| The measure was reported from | Committee by the follow | wing vote: | | |
| <u></u> | AYE | NAY | PNV | ABSENT |
| Chavez, Chair | V | | | |
| Griggs, Vice-chair | | | | |
| Alonzo | V | | | |
| Castro | V | | | |
| Merritt | | | | V |
| | | | | |
| Vo | | | | |
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| | | | | |
| Total | aye | α | rna Phai | 18 |
| | nay | CHAIR | jui es republi | |

absent

BILL ANALYSIS

S.J.R. 27 By: Lucio Border and International Affairs Committee Report (Unamended)

BACKGROUND AND PURPOSE

The 71st Legislature, Regular Session, 1989, passed S.B. 2, the state's first major attempt to address the problems associated with colonias, and established the Economically Distressed Areas Program (EDAP) to provide financial assistance in the form of grants and loans for water and wastewater service to economically distressed areas. The Texas Water Development Board was made the EDAP administrator and directed to develop model rules to assure water and sewer services to residential developments and to strengthen platting requirements. To be eligible for state financial assistance in water and wastewater projects, the counties and municipalities are required to adopt the model rules. EDAP is financed in through general obligation bonds that were approved by constitutional amendment authorizing the board with \$250 million in bonding authority. A small amount of this bonding authority remains to address the water and wastewater needs in currently-existing traditional EDAP communities.

Senate Joint Resolution 27 proposes a constitutional amendment to provide for the issuance of up to \$785 million in general obligation bonds by the Texas Water Development Board for assistance to economically distressed areas.

RULEMAKING AUTHORITY

This joint resolution does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

SECTION 1

Amends Article III, Texas Constitution, by adding Section 49-d-10 to authorize the Texas Water Development Board to issue additional general obligation bonds, at its determination, for the economically distressed areas program account of the Texas Water Development Fund II, in an amount not to exceed \$500 million. Requires the bonds to be used to provide financial assistance to economically distressed areas of the state as defined by law.

Provides that Section 49-d-8(e), Article III, Texas Constitution, applies to the bonds authorized by SECTION 1.

SECTION 2

Requires this proposed constitutional amendment to be submitted to the voters at an election to be held November 8, 2005. Requires the ballot to be printed to provide for voting for or against the proposition: "The constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board in an amount not to exceed \$785 million to provide assistance to economically distressed areas."

EFFECTIVE DATE

November 8, 2005, if approved by the voters.

SUMMARY OF COMMITTEE ACTION

SJR 27

May 16, 2005

8:00AM

Considered in public hearing
Testimony taken in committee (See attached witness list.)
Left pending in committee

May 18, 2005

upon final adjourn./recess

Considered in formal meeting Reported favorably without amendment(s)

WITNESS LIST

SJR 27 HOUSE COMMITTEE REPORT Border and International Affairs Committee

May 16, 2005 - 8:00AM

For:

Henneberger, John (Texas Low Income Housing Information Service & Border Low Income Housing Coalition)

Registering, but not testifying:
For: de Lafuente, Veronica (Office of Cameron County Judge

Gilberto Hinojosa)

Kastrin, Deborah (Commissioners Court, County of El

Paso)

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

May 11, 2005

TO: Honorable Norma Chavez, Chair, House Committee on Border and International Affairs

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SJR27 by Lucio (Proposing a constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board to provide assistance to economically distressed areas.), As Engrossed

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$66,497.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 580 Water Development Board

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

March 29, 2005

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on International Relations & Trade

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SJR27 by Lucio (Proposing a constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board to provide assistance to economically distressed areas.), As Introduced

No fiscal implication to the State is anticipated, other than the cost of publication.

The cost to the state for publication of the resolution is \$66,497.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 580 Water Development Board

TAX/FEE EQUITY NOTE

79TH LEGISLATIVE REGULAR SESSION

May 13, 2005

TO: Honorable Norma Chavez, Chair, House Committee on Border and International Affairs

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SJR27 by Lucio (Proposing a constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board to provide assistance to economically distressed areas.), As Engrossed

Because the bill would not create or impact a state tax or fee, no comment from this office is required by the rules of the House as to the general effects of the proposal on the distribution of tax and fee burdens among individuals and businesses.

Source Agencies:

LBB Staff: JOB, SJS

S.J.R. No. 27



proposing a constitutional amendment providing for the issuance of additional general obligation bonds by the Texas Water Development Board to provide assistance to economically distressed areas.

| MAR 0 3 200 | Filed with the Secretary of the Senate |
|------------------------------|---|
| MAR 1 4 2005 MAR 1 7 ZUU5 | Read and referred to Committee on NATURAL RESOURCES Reported favorably |
| | Reported adversely, with favorable Committee Substitute; Committee Substitute read first time. |
| | Ordered not printed |
| | Laid before the Senate BY A VIVA VOCE VOTE |
| MAY 0 3 2005 | Senate and Constitutional Rules to permit consideration suspended by: |
| MAY 0 3 2005 | Read second time, |
| MAY 0 3 2005 | Senate and Constitutional 3 Day Rule suspended by a vote of 26 yeas, 5 nays. |
| MAY 0 3 2005 | Read third time,, and passed by:, page yeas, nays |
| | PTION TO CONFORM DY OF THE BILL Adam Span |
| OTHER ACTION | SECRETARY OF THE SENATE |
| May 3,2005 | Engrossed |
| may 4,2005 | Sent to House |
| | |
| Engrossing Clerk | Mardi alpano |
| MAY 0 4 2005 | Received from the Senate |
| MAY 0 9 2005 | Read first time and referred to Committee onBorder and International Affairs |
| MAY 1 8 2005 | Reported favorably (exampled) (exampled) |
| MAY 2 0 2005 | Sent to Committee on Calendars |
| | Read second time (comm. subst.) (amended) and adopted (passed to third reading) by a record vote of yeas, present, not voting |
| | Read third time (amended) and finally adopted (failed of adoption) by a record vote of yeas, present, not voting |
| | Returned to Senate. |
| | |
| <i>,</i> | CHIEF CLERK OF THE HOUSE |
| | |
| | Returned from House without amendment. |
| | Returned from House with amendments. |
| | Concurred in House amendments by a viva voce vote yeas, nays. |

| | Refused to concur in House amendments and requested the appoint to adjust the differences. | ntment of a Conferen | ce Committee |
|---|--|----------------------|--|
| *************************************** | _ Senate conferees instructed. | | |
| | _ Senate conferees appointed: | Chairman; | ************************************** |
| ٠.٠ | | , and | |
| | House granted Senate request. House conferees appointed: | | , Chairman; |
| | Conference Committee Report read and filed with the Secretary of | | · |
| | Conference Committee Report adopted on the part of the House b | y: | |
| | a viva voce vote yeas, | nays | |
| | _ Conference Committee Report adopted on the part of the Senate b | py: | |
| | a viva voce vote yeas, | nays | · |
| OTHER ACT | ΓΙΟΝ: | | |
| | _ Recommitted to Conference Committee | | |
| | _ Conferees discharged. | | |
| | _ Conference Committee Report failed of adoption by: | | |
| | a viva voce vote | | |

yeas,

HOUSE OF REPRESENTATIVES